

ORIGINAL

IN THE UNITED STATES CLAIMS COURT

NO. 581-88T

CHURCH OF SPIRITUAL TECHNOLOGY,

Plaintiff,

v.

THE UNITED STATES,

Defendant. PLAINTIFF'S

SUPPLEMENTAL BRIEF

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November 12, 1991

EXHIBIT A

DECIALARATION OF LYMAN S PURLOCK

I, Lyman Spurlock, hereby declare as follows:

1. The information contained herein is based on my personal knowledge and if called upon. I could and would testify thereto.

2. Currently I hold an executive staff position for Church of Scientology International. Prior to October 1981 I held the staff position of Investments Officer International for Church of Scientology of California ("CSC"). In October of 1981 I left this position and joined a special project consisting of Norman Starkey, Terri Gamboa and Ron Pook that had been formed for the purpose of investigating and resolving various business and litigation matters affecting L. Ron Hubbard. My particular assignment was to work out Mr. Hubbard's estate plan and to structure an agency relationship with responsibility for handling some of his literary, financial and other temporal affairs. In this capacity I was employed and paid by Mr. Hubbard.

3. At the time I started on my assignment Mr. Starkey told me that several CSC staff personnel and outside attorneys had participated in a project called the "Mission Corporate Category Sort-out" ("MCCS") previously and had made several proposals for restructuring CSC that had a bearing on Mr.

MCCS project was a failure and that I should start out with a fresh viewpoint and not pay any attention to nor utilize this previous work.

4. Soon after I began work on this new project Mr. Hubbard communicated to me concerning his wishes with respect to his estate planning. He instructed that he wanted his estate to be used to preserve the Scriptural materials of Dianetics and Scientology against any cataclysm so that it could be practiced by all future generations of mankind. He also instructed that I was to work out a disposition of his interests in the Scientology religious marks, the Scientology Advanced Technology and copyrights to the Scientology Scriptures that would ensure that these properties would forever be dedicated to the Scientology religion itself.

6. During this project I worked closely with Mr. Hubbard's personal lawyer -- Sherman Lenske, with the Los Angeles law firm Lenske, Lenske & Heller -- and with two lawyers who had been retained by the project because of their expertise in tax law -- Meade Emory and Leon Misterek, both with the Seattle law firm LeSourd & Patten. Soon after I joined the project Messrs. Emory and Misterek made the first proposal for Mr. Hubbard's estate plan, which consisted of several charitable remainder trusts. However, their proposal did not fit Mr. Hubbard's needs so I rejected it.

6. Subsequently, in early November 1981 I called a meeting at the offices of LeSourd & Patten to formulate a

new proposal. The conference lasted two days and was attended by Messrs. Emory and Misterek, Mr. Lenske and myself. We were the only participants at this conference other than an occasional, short appearance by one or two associates with LeSourd & Patten. After discussing various ideas and alternative estate structures at great length, we concluded that Mr. Hubbard's testamentary desires would best be accomplished by forming two Church organizations -- one to receive Mr. Hubbard's interests in the marks and Advanced Technology of the Scientology religion and the other to serve as a perpetual archive for the Scientology Scripture and to receive the copyrights from Mr. Hubbard's estate. During this meeting I conceived of the names Religious Technology Center and Church of Spiritual Technology for the two churches.

7. I submitted the estate plan worked out at this meeting to Mr. Hubbard. He approved the proposal, with certain modifications. One of the modifications that Mr. Hubbard specified was to include the provision in church of Spiritual Technology's bylaws that partners of Lenske, Lenske & Heller serve as its "Special Directors" to ensure that Church of Spiritual Technology never engaged in any activity that would impair its tax-exempt status.

8. Just after Mr. Hubbard approved the proposal I conceived of an additional safeguard to protect the future of the Scientology religion -- giving Church of Spiritual Technology an option to acquire the religious marks and Advanced Technology from Religious Technology Center in the

extreme circumstance that the survival of the religion were threatened. I proposed this additional safeguard to Mr. Hubbard, which he approved.

9. Over the next several months I coordinated the implementation of the plan developed at the November 1981 meeting with staff of Church of Scientology International, which had become active in early December 1981. By early 1982 Religious Technology Center and Church of Spiritual Technology were formed and Mr. Hubbard had assigned rights to the Scientology religious marks and Advanced Technology to Religious Technology Center and options to Religious Technology Center's rights to Church of Spiritual Technology.

10. In accordance with the instructions I received when I began work on Mr. Hubbard's estate planning projects at no time did I seek to review, review or utilize any research or proposals generated by the MCCS project, nor to my personal knowledge did any other participant in Mr. Hubbard's estate planning project.

I declare under the penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed on this 10th day of November, 1991 at Los Angeles, California. Lyma Spurlock